

MEMORANDUM FOR:

DOJ

BOB, SINCE YOU'RE IN AN
I TUXO-YOU-SO MOOD ON THE
PLO, YOU MIGHT BE INTERESTED
IN THIS PIECE ON LEBANON
WRITTEN 1 YEAR AGO. BLATANTLY
SELF-SERVING, BUT I CAN'T
RESIST!

Amie
VC/mic

Date

FORM 5-75 101 USE PREVIOUS EDITIONS

17 June 1982

INTERAGENCY INTELLIGENCE ASSESSMENTLikely Evolution of Lebanon Situation

The following is an Intelligence Community assessment, coordinated at the working level, of what the likely evolution of the key elements of the Lebanon crisis will be, and what the situation will look like in 60 days -- i.e. mid-August.* The assessment assumes no major deviation from current US policies, and an Israeli willingness to agree to a phased withdrawal from central Lebanon under four general conditions: elimination of the PLO armed presence, except in the northern Bika' and north Lebanon, which are largely Syrian-controlled; establishment of a strong international force to prevent the reestablishment of a PLO armed presence in southern Lebanon; establishment of a Christian-dominated coalition central government in Beirut with a military force able to replace withdrawing Israeli troops; and removal of Syrian forces to the central and northern Bika'.

1. PLO

- The Israelis will have effectively eliminated the armed Palestinian presence in Beirut and areas under their control. As this process is completed, they will turn over the area to an MFO, the Lebanese central government, or to Christian militia forces of the Phalange or Major Haddad. This will be a difficult operation. A residual PLO political presence may be tolerated.
- Surviving PLO armed forces will be reorganizing in remaining Syrian-controlled or influenced areas of Lebanon.
- Armed Palestinian resistance inside Lebanon against the Israelis and their supporters will continue and could become a problem. PLO elements will also likely resort to increased acts of international terrorism against Israeli and US targets and interests.

* State/INR representatives believe this is only one possible scenario for evolution of developments over the next several months. It is premature to forecast the likely situation in mid-August.

This assessment has been prepared under the auspices of the NIO/NESA and has been coordinated at the working level by CIA, DIA, NSA, State/INR, and the intelligence organizations of the Army, Navy, Air Force and the Marine Corps.

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- Arafat's leadership, if he survives, will be severely weakened but he will remain the predominant PLO leader. Although he will likely sanction a PLO terrorist campaign to make clear that the PLO remains a force to be reckoned with, he will not abandon his effort to make the PLO a politically respectable organization and allow it to become simply another terrorist group.*
- The PLO conventional and insurgency warfare capability in Lebanon will have been largely neutralized. Whatever conventional force is ultimately reestablished will no longer be able to operate freely anywhere in Lebanon but will be under tight Syrian control.

2. Lebanese Political Structure

- A stronger cabinet, including some Muslim leaders, could be formed. Such a cabinet would be heavily weighted in favor of Israel's Maronite Christian allies but could include some major Muslim, Shia, and Druze leaders. Such an arrangement would not endure unless meaningful powersharing arrangements were created.
- The month-long election period for a new president of Lebanon officially begins on 23 July. The likely outcome will be heavily influenced by the Phalange which will push for the election of its militia chief Bashir Jumayyil or another hardline Maronite who would be more acceptable to Muslim deputies.
- The central government's control over the country will be fragile and ultimately depend on the nearby presence of the IDF. Its writ on the coast will run from Jubayl in the north to Tyre in the south and east to the ridgelines overlooking the Biqa'.**
- Assuming no miscalculation that results in a major conflagration, Syrian forces will retain control in the central and northern Biqa' without a serious Israel attempt to expel them. Prime Minister Begin has, however, stated that the Syrians must ultimately withdraw completely from Lebanon and has linked a full withdrawal of Israeli forces to such a Syrian pullback.

* State/INR representatives believe that PLO decisionmaking has been fundamentally disrupted by the invasion. It will take time for the PLO to decide on a future course. The organization will be torn between the temptation to resume international terrorism and the realization that such a campaign would destroy the PLO's chances to operate in the diplomatic arena.

** CIA believes there is a good possibility that Israeli or Phalange forces may attempt to expel PLO forces from Tripoli to bring this large port city under firm Lebanese government control.

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- Reconstituting the Lebanese army will be a slow process, and the Phalange will seek to dominate it. The Muslims will be reluctant to participate without some guarantee that they will be given a larger role in it. Muslim militia leaders will not otherwise want to give up their arms to a Christian-dominated army and a resumption of some intra-Lebanese hostilities is possible, particularly in areas evacuated by the Israelis.

3. International Force

- It may not be possible to form an acceptable international force in the next 60 days. When one is formed, the most likely shape it would take is a multilateral force organization, not a revamped or expanded UNIFIL, except for an initial 90-day extension. If invited by the Lebanese government, the French might be willing to assume a leading role in any such force, and the Dutch have evinced some interest in participating. US forces are desired by Israel but are not essential for its formation. The mission of the new international force would be to ensure that armed Palestinians and heavy weaponry do not find their way south through the zone between the Litani and the 25-mile line. It would also have security duties in this zone. It may also gradually assume duties in the southern Biqa' area in place of Israeli troops there.

4. Soviets

- Moscow, in an effort to repair the damage to its prestige caused by its relative inaction in the face of the PLO and Syrian defeat, is likely to increase its military assistance to Syria. This probably would result in a larger Soviet military presence there. The increase will most likely take the form of replacing destroyed fighters and air defense equipment, sending additional advisers, and probably increasing Soviet usage of Syrian naval and air facilities. It is possible but less likely that the Soviets would send their own air defense fighter or SAM units.
- The Syrians, despite their disillusionment with Moscow, probably will request an increased Soviet military presence, at least in the near term. Assad will attempt to get the Kremlin to clarify and increase the level of Soviet commitment to Syria. However, Moscow's reluctance to provide the extent of guarantees requested by Damascus will further strain Soviet-Syrian relations.

5. Syria

- The Syrians will essentially accept a continued dominating presence in the central and northern Biqa' valley and parts of the remainder of northern Lebanon as meeting their minimum objectives

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at this time. They will continue to have influence with some political factions in Beirut.

6. Iran

- Tehran sees military support for the Palestinians and Syria as both a duty and a way to demonstrate its claim to be chief defender of Islam. It will attempt to gain propaganda mileage from its willingness to enter the fray. Tehran likely will have several thousand soldiers in Syria and possibly in the Syrian-controlled part of Lebanon. While these forces will not pose a significant military threat to Israel, they could provoke clashes in Lebanon. Should their presence in Syria prove destabilizing, President Assad will waste no time in forcing them to leave.

7. Egypt and the Moderate Arab States

- President Mubarak is upset with the extensiveness of Israel's operation and will not be assuaged unless Israel begins its withdrawal in short order. He appears to have successfully straddled the fence between reassuring Israel that the peace treaty effectively precludes Egyptian participation in an Arab-Israeli war while strongly and publicly condemning the Israeli move and, thereby, moving significantly closer to the other moderate Arab states. The confluence of events in the region, i.e. the Iranian victory over Iraq, the invasion of Lebanon, and the death of Saudi King Khalid, gave Mubarak a unique opportunity to reforge the Saudi link when he traveled to Saudi Arabia to offer his condolences. There are, moreover, indications that other moderate Arabs are now ready to welcome Egypt back into the fold: even before the King's death, Jordan and Iraq had expressed their willingness to expand and upgrade relations with Egypt. Moreover, Moroccan Foreign Minister Boucetta traveled to Cairo for discussions with the Egyptian President. This process will be continuing as of mid-August.
- The United States' position with the moderate Arab world clearly has suffered. Even those states that do not view the invasion as bearing the marks of Israeli-US "collusion" have castigated us for vetoing the UN resolution condemning Israel. Jordanian King Hussein in particular worries that the failure of the US to rein in Israel foreshadows increasingly aggressive Israeli policies that will have far reaching implications for pro-Western Arab regimes. Hussein will increasingly focus on Sharon's stated objective of ousting the Hashemites from Jordan and turning it over to the Palestinians. It should be noted, however, that some moderate Arabs are pleased that Syria and the PLO have been dealt serious setbacks in Lebanon and they see the potential for improved stability if the situation is handled carefully.

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- On balance the Lebanon invasion must be viewed in the short to intermediate range as one more link in the gradual erosion of the US position with the moderate Arabs. If the positive elements in the equation are deftly nurtured, this negative trend could be slowed by mid-August.

8. The Oil Weapon

- Pressure is being brought to bear on Saudi Arabia and the other Arab oil producers to express their support for the Palestinians by imposing an oil embargo on the United States. Libyan leader Qadhafi and the Syrians reportedly have pressed Gulf producers for an embargo. Some Iranians have called for an oil embargo as well. Libya, Syria, and Iran, however, have little influence on world oil policy. Saudi King Fahd, the chief architect of Saudi oil policy since the assassination of King Faysal in 1975, has consistently opposed the use of the oil weapon. Without Saudi participation, an Arab oil embargo would be largely ineffective.
- Active Saudi participation in an embargo combined with production cutbacks, although unlikely, would cause problems even in the current weak market. Although some international mechanisms were established in the wake of the 1973-74 Arab oil embargo to help deal with future disruptions, it is not clear that the emergency allocation plans tested in simulated situations will work in a real crisis. The continued existence of large amounts of unused capacity (some 2.5 million b/d in non-Arab producing countries) would encourage some of those producers -- e.g. Nigeria, Venezuela, Indonesia -- to take advantage of any embargo, thereby moderating its effects.

9. Autonomy Talks

- Egypt has at least temporarily withdrawn from participation in Palestinian autonomy talks, making progress on this issue even more of a moot question than before. While the Lebanese invasion probably did not alter Israel's position on the talks, Egyptian withdrawal has effectively eliminated the regional pressure on Prime Minister Begin to be more conciliatory. Begin will press hard for the resumption of the talks on his terms, in part because he believes that the demise of the PLO as a military force in Lebanon will reduce pressures on West Bank and Gaza Palestinians to refuse to "cooperate" with the Israeli administration there.

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